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May 13, 2010

MEMORANDUM

TO: All Interested Parties

FROM: Leza Wainwright

SUBJECT: Summary Version of Implementation Update #72

This is our second edition of a Summary of the Implementation Updates. Please send any input or suggestions to us at ContactDMH@dhhs.nc.gov. Readers who want to view the detailed version may still find them on our website at **http://www.ncdhhs.gov/mhddsas/servicedefinitions/servdefupdates/index.htm; refer to the detailed version as the authority to avoid confusion.**

New ValueOptions Fax Numbers Effective June 1

- Effective June 1, 2010 providers must use the new toll-free fax numbers when faxing requests to ValueOptions. (See Implementation Update #72 for the telephone numbers.)

- ValueOptions customer service numbers have not changed.
  - For Medicaid call 888-510-1150.
  - For Health Choice call 800-753-3224.

Records Management

Safeguarding the Privacy and Security of Records

- Implementation Update #58 and Implementation Update #62 reinforced that all providers are required to maintain records and documentation to support service provision and reimbursement for a required specified period of time for publicly funded mental health, developmental disabilities, and substance abuse services. This includes the clinical service record, personnel records and billing and reimbursement records.
  - The two schedules that specify the length of time that records should be kept are:
    - *Department of Health and Human Services Records Retention and Disposition Schedule for Grants*, which is based on the funding source, (found under the third bullet at: http://www.ncdhhs.gov/control/retention/retention.htm)

        - *Records Retention and Disposition Schedule for State and Area Facilities*, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services publication, APSM 10-3, which is organized by record type**,** found under "Other Administrative Publication System Manuals (APS)," at http://www.ncdhhs.gov/mhddsas/statspublications/manualsforms/index.htm#manuals.

- Additional requirements for a provider's responsibility for safeguarding records are located in the following documents:
    - *Records Management and Documentation Manual* found at: http://www.ncdhhs.gov/mhddsas/statspublications/manualsforms/rmd09/rmdmanual-final.pdf,
    - Department of Health and Human Services Provider Administrative Participation Agreement (for direct enrollment) found in sections seven and eight of the provider participation agreement at: http://www.nctracks.nc.gov/provider/providerEnrollment/assets/Org.pdf
    - Notification of Endorsement Action letter. A copy of the Notification of Endorsement Action letter is on the Provider Endorsement web page under Administrative Forms: http://www.ncdhhs.gov/mhddsas/stateplanimplementation/providerendorse/index.htm.

- Failure to protect consumer privacy, failure to safeguard records and to ensure the confidentiality of individually identifiable health information is a legal violation of the Health Insurance Portability and Accountability Act (HIPPA), the Family Educational Rights and Privacy Act, and General Statute § 108A-80 and GS § 122C-52. Refer to the full version of Implementation Update #72 for the sanctions, penalties and fees that may be imposed for violations.

- When a Local Management Entity is aware of a provider's failure to safeguard the privacy and security of records, such violations should be reported to the Local Management Entity Health Insurance Portability Accountability Act privacy and security officer. If a violation has occurred, the Local Management Entity may choose to make a report to federal authorities at the Office of Civil Rights and the Division of Mental Health Developmental Disabilities and Substance Abuse Service Privacy and Security Officer.

Maintaining the Security and Accessibility of Records after a Provider Agency Closes

- Providers must maintain records (including clinical service records, records to support staff qualifications and credentials, and billing/reimbursement records) acquired while delivering services even after they are no longer under agreement or contract to provide services. The failure to retain adequate and accessible documentation of services provided can result in the requirement that the provider pay back reimbursement made for those services and the termination or suspension of the provider from participating in the Medicaid program. This may occur even after an agency has closed as provider records may be subject to post-payment audits or investigations.

- The clinical service record should be maintained and accessible to facilitate continuity of care for individuals who are in need of continued services and supports or who may be in need of services in the future.

- Providers should also (with consumer authorization as necessary) send copies of transitional documentation (such as Person Centered Plans) to the providers who will be serving the individual. When necessary for coordination of care, copies of documentation may be provided to the consumer directly.

- When a provider agency stops providing services or dissolves for any reason they are required to make arrangements to continue to safeguard the clinical and reimbursement records. See Implementation # 62 for instructions to providers regarding this. The abandonment of records or the failure to properly safeguard the security of records is a Health Insurance Portability Accountability Act violation which may result in further sanctions and financial penalties.

- If a provider agency closes, the provider should contact Division of Medical assistance Provider Enrollment/Computer Sciences Corporation, the Division of Mental Health, Developmental Disabilities, and Substance abuse Services Accountability Team and the Provider's Endorsing Agency as outlined in Implementation Update #70.
    - Each provider is required to develop a plan for record retention and disposition in cases of agency closure outlining the following:
        - How the records are stored,
        - The name of the designated records custodian,
        - How the records custodian is going to inform the respective Local Management Entity(s) of their process, and
        - Where the records will be located.

- If there are additional questions and concerns, please contact Cynthia.Coe@dhhs.nc.gov.

Child and Adolescent Day Treatment Service Update

- Implementation Update #71 issued on April 8, 2010 and the updated Clinical Coverage Policy 8A states that day treatment programs cannot operate if a local education agency, charter, or private school refuses to sign a Memorandum of Agreement. The Department of Health and Human Services has addressed this issue with the Centers for Medicare and Medicaid Services and the following is further clarification.
    - The Memorandum of Agreement between the day treatment provider and the Local Education Agency, private or charter school is highly encouraged, but is not a requirement for endorsement as a day treatment provider.
    - Implementation Update #70 issued on March 2, 2010 contains an attachment titled "**Elements to Consider Including in the Memorandum of Agreement (MOA) for the Implementation of Child and Adolescent Day Treatment Services."** The elements noted in the Memorandum of Agreement are *suggested*; that is, they may be considered, but are not mandated to be included in any Memorandum of Agreement.
- Day treatment services are designed for children who require treatment to address functional problems associated with participation in school. Day treatment programs may **not** operate as simply after-school programs.

NC Incident Response Improvement System (NC-IRIS) Implementation

- The new web based incident reporting system, the NC Incident Response Improvement System was implemented on May 1, 2010. The web site address for connecting to the NC is: https://iris.dhhs.state.nc.us/.
    - Effective May 1, 2010, providers who have been trained to use the NC Incident Response Improvement System are required to begin submitting incident reports through the NC Incident Response Improvement System.
    - Effective July 1, 2010 all providers who are required to report incidents to the Department of Health and Human Services are required to use the NC Incident Response Improvement System. Until July 1, 2010 providers who have not been trained to submit incident reports through the NC Incident Response Improvement System are to continue submitting paper copies of Level II reports to their Local Management Entity and continue submitting Level III reports to their Local Management Entity and the Division of Mental Health, Developmental Disabilities and Substance Abuse Services Quality Management office.
    - Providers not submitting incident reports through NC Incident Response Improvement System on May 1, 2010 shall continue to submit the paper incident reports to other entities as needed (Division of Health Service Regulation).
        - Providers who submit paper incident reports must use the newly revised reporting form, QMO2, effective October, 2004, revised April 27, 2010. This form may be found http://www.ncdhhs.gov/mhddsas/statspublications/manualsforms/index.htm under "**Incidents**."

1915 (b)(c) Waiver Update

- Four Local Management Entities responded to the request for applications to participate in the State's 1915 (b)/(c) Medicaid Waiver.

- East Carolina Behavioral Health
- Mecklenburg County Area MH/DD/SAS
- Sandhills Center for MH/DD/SAS
- Western Highlands Network

- DHHS will not make additional comment on the review process until the formal announcement is made in July 2010.

Targeted Case Management Services (TCM) for Individuals with Developmental Disabilities

- This serves to provide clarification to the April 8, 2010 Implementation Update #71 regarding case manager qualifications in the Medicaid State Plan Amendment for *Targeted Case Management (TCM) Services for Individuals with Developmental Disabilities.*
  - Based on staffing qualifications and equivalencies in 10A NCAC 27G.0101, a graduate of a college or university with a bachelor's degree in a field other than human services who has 4 years of full-time, post-bachelor's degree accumulated mental health, developmental disabilities and substance abuse service experience with the population served is equivalent to a bachelor's degree in a human services field with 2 years of accumulated mental health, developmental disabilities and substance abuse service experience working with the population served.

- The endorsement check sheet and instructions for Targeted Case Management services for Individuals with Developmental Disabilities will be posted on the Division of Mental Health, Developmental Disabilities and Substance Abuse Service website at http://www.dhhs.state.nc.us/MHDDSAS.

Processing Initial Community Alternatives Program – Mental Retardation/Developmental Disabilities Plans and Continued Need Reviews by ValueOptions

- In order to expedite processing and approval of Initial Community Alternatives Program –Mental Retardation/Developmental Disabilities Plans and Continued Need Reviews providers shall submit all the elements listed in Implementation Update #59. A complete list of all required documentation is included in Implementation Update # 72 as a reminder and helpful guide.

Person Centered Plan Instructions: Community Alternatives Program-Mental Retardation/Developmental Disabilities ONLY!!!

- *In the Person Centered Plan Instruction Manual* http://www.ncdhhs.gov/mhddsas/pcp.htm, there is an item that needs revision and clarification.
  - On page 35, *section III*: *Legally Responsible Person* includes the Community Alternatives Program choice statement which must be signed.
  - All individuals who receive Community Alternatives Program funding or their legally responsible person must sign to confirm that the signer understands his or her choice to participate in the Community Alternative Program-Mental Retardation /Developmental Disabilities waiver. This section III must be signed by the guardian/ legally responsible person or **the individual, in the event they are their own guardian.** Check all three of the boxes since the Community Alternatives Program choice statement is not included in Section II on the signature page.

Critical Access Behavioral Health Agency (CABHA) Verification Update

- The verification stage of the Critical Access Behavioral Health Agency certification process originally required the provider to demonstrate 60 days of history of implementation of the policy (provision of core services and required positions carrying out defined job responsibilities).
  - This requirement has now been reduced to **30 days** of history.
  - Agencies that have received notification of meeting the desk review elements should notify the Local Management Entity System Performance Team at www.contact.dmh.lme@dhhs.nc.gov when they have the **30 days** of history.

Unless noted otherwise, please email any questions related to this Implementation Update to ContactDMH@dhhs.nc.gov.